

## PUBLIC SERVICE COMMISSION OF WISCONSIN

### Minutes and Informal Instructions of the Open Meeting of Thursday, October 15, 2015

The Public Service Commission of Wisconsin (Commission) met as noticed. Present in person were Chairperson Nowak and Commissioner Huebsch. Commissioner Montgomery participated by telephone.

#### **Minutes**

The Commission approved the minutes of the open meeting of Thursday, October 8, 2015.

#### **5610-WR-105 - Application of Sparta Municipal Water Department, Monroe County, Wisconsin, for Authority to Increase Water Rates**

The Commission approved the Notice of Proceeding and directed it be signed by the Secretary to the Commission on behalf of the Commission.

#### **6630-TE-101 - 2015 Miscellaneous Tariff Filings**

#### **Wisconsin Electric Power Company's Request for Approval of an Experimental Economic Development Rider**

The Commission discussed and approved the request for an Experimental Economic Development Rider (EDR) filed on behalf of Wisconsin Electric Power Company (WEPCO), with the following modifications:

1. The job growth references in the tariff shall be changed to load growth.
2. The eligibility criteria shall be modified to remove the requirement that a customer shall have ten or more facilities in Wisconsin.
3. Subscribing customers must attest that but for the EDR, either on its own or in combination with a package of economic development or job creation incentives from a local, county, state of Wisconsin, or federal program, the customer would not have added load within WEPCO's service territory.
4. While the subscribing customer and WEPCO can agree on a recent 12-month historical usage period to serve as the initial baseline for the Real Time Market Pricing Rider, a different baseline, determined using the twelve-month period immediately prior to the customer's start of service under the EDR, shall be used to measure actual load maintenance and growth and determine continued eligibility.

5. The tariff shall close to new customers as of June 30, 2016. Further, the four-year service agreement entered into between the subscribing customer and WEPCO under this tariff shall not be extended or modified without prior Commission approval. Once the four-year term ends, a customer would return to the Cp-1 tariff or whatever other rate for which the customer is eligible.
6. Any costs associated with this EDR shall stay within the same class of customers.
7. WEPCO shall report usage and value of the EDR to subscribing customers under the tariff to the Commission on an annual basis.

The Commission directed the Division of Energy Regulation to draft an order consistent with its discussion.

**137-CE-177 - Application of American Transmission Company, as an Electric Public Utility, for Authority to Construct a New, Double-Circuit 138 kV Transmission Line (approximately 6 to 9.5 miles) and Related Facilities from the Existing 138 kV Transmission System to a New Wisconsin Electric Power Company-Owned Distribution Substation in the Town of Eden to be named Creekview Substation, all in Fond Du Lac County, Wisconsin (Creekview Interconnection Project)**

The Commission discussed this matter, determined that it was in the public interest to approve the application filed on behalf of American Transmission Company (applicant) for a Certificate of Public Convenience and Necessity (CPCN) to construct a new double-circuit 138 kilovolt (kV) transmission line and related facilities from the existing 138 kV transmission system to a new Creekview distribution substation in the town of Eden, Wisconsin, and made the following additional determinations, subject to conditions:

1. The proposed project, if constructed, will satisfy the reasonable needs of the public for an adequate supply of electric energy as required under Wis. Stat. § 196.49(3)(3)2.
2. No Energy Priority Law alternatives exist that are cost-effective, technically feasible, and environmentally sound alternatives to the proposed project, per Wis. Stat. §§ 1.12(4) and 196.025(1).
3. The proposed project will not have a material adverse impact on competition in the relevant wholesale electric service market under Wis. Stat. § 196.491(3)(d)7.
4. If approved, the proposed project complies with Wis. Stat. § 196.491(3)(d)6. and would not unreasonably interfere with the orderly land use and development plans for the area involved.

5. Given the requirements for issuance of a Certificate of Public Convenience and Necessity for the proposed project under Wis. Stat. §§ 1.12(6), 196.025(1m), and 196.491(3)(d), the Commission authorizes the North Route for the proposed project.

Commissioner Montgomery dissents as he would have preferred the West Route.

6. The Commission accepted or accepted as modified, the following conditions proposed by the Wisconsin Department of Agriculture, Trade and Consumer Protection (DATCP):
  - a. The applicant shall hire an agricultural specialist that would work for and report to the applicant.
  - b. The applicant shall give advance notice of acquisition and construction schedules so that farm activities can be adjusted accordingly and farm or field damage or disruption can be minimized.
  - c. Landowners, especially those with livestock, should be notified in advance when helicopters will be used in their area, including a range of dates and times when the use of a helicopter is expected.
  - d. The applicant shall provide telephone and e-mail contact information for landowners to contact applicant if impacts from the project arise or continue after project completion.
  - e. The applicant shall consult with all affected farmland owners and operators to determine, to the extent practicable, the least damaging locations for transmission support structures.
  - f. The applicant shall work with operators of organic farms to determine the most effective techniques for minimizing the likelihood of injury to crops or loss of organic certification from herbicide application by the applicant.
  - g. If the transmission line construction divides a pasture, thus restricting access between the divided parcels, the applicant should work with the farmer to develop an access plan for the livestock or compensate the farmer for the cost related to grazing restrictions.
  - h. The applicant should work with the operators of irrigation, underground drainage, and aerial seeding/spraying systems and operations to avoid impacts to their systems and operations to the extent practicable. If structure locations cannot be

moved to eliminate impacting the operation or system, the landowner should be compensated accordingly for the loss of the use of or damage to their system or operation.

- i. The applicant should inform each landowner with confined animals within 300 feet of the transmission line of the ability to request free Neutral-to-Earth Voltage testing by the local distribution utility prior to construction and again after the project is energized. To facilitate communication and minimize conflicts, the applicant should be made aware of the results in a timely manner for both rounds of testing at each confined animal operation.
- j. The applicant shall consult with the County Conservationists in the counties in which the project would have an effect to ensure that construction proceeds in a manner that minimizes drainage problems, crop damage, and soil erosion.
- k. The applicant shall provide appropriate compensation to a landowner if the landowner must reimburse the Farm Service Agency or Wisconsin Department of Natural Resources for crop programs, Conservation Reserve, or Managed Forest Law lands compromised because of the project.
- l. The applicant shall conduct pre-construction farm interviews and combine the results with the landowner response section of the Agricultural Impact Statement (AIS) to make the project bid packages and line lists fit farm situations more accurately.
- m. The applicant should implement training for all construction supervisors, inspectors, and crews to ensure that they understand the steps needed to protect the integrity of agricultural lands and operations during project construction and restoration.
- n. The applicant shall avoid or minimize the loss of tillable land and associated interference with agricultural equipment operation and, if conflicts occur, work with the property owners or farm operator during the real estate acquisition process to accommodate field needs to the extent practicable.
- o. The applicant shall do post-construction monitoring to ensure that no long-term damage to agricultural fields along the project has occurred, for a minimum of two years after construction is completed. The applicant shall inform DATCP AIS staff of all results and associated reporting.

7. The estimated cost of the proposed project is approximately \$25.9 million for the North Route. These costs include transmission line construction costs, substation construction costs, and per-certification costs.
8. The Commission has complied with the Wisconsin Environmental Policy Act pursuant to Wis. Stat. § 1.11 and Wis. Admin. Code ch. PSC 4.

The Commission directed the Division of Energy Regulation to draft an order consistent with its discussion.

The Commission adjourned the meeting at 11:11 a.m.

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Sandra J. Paske  
Secretary to the Commission

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